



City Councilmember

Carl DeMaio

News Release

DeMaio Praises Council for Acting on Proposal to Enhance Small Business Promotion Programs *“Streamlined” Funding Process for 17 Business Improvement Districts Is Part of DeMaio’s Small Business Action Plan*

FOR IMMEDIATE RELEASE:

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San Diego – Councilmember Carl DeMaio joined Council President Tony Young and Councilmembers David Alvarez and Lori Zapf today to announce that the City Council will take up legislation next week on a much-needed overhaul to the process for funding the city’s 17 “Business Improvement Districts” (BIDs).

“This reform is vital to ensuring that San Diego’s Business Improvement Districts are focused on promoting, serving, and advocating for their small business members – rather than being caught up in a costly bureaucratic process at City Hall,” DeMaio said as the announcement was made.

The City of San Diego has 17 “Business Improvement Districts” (BIDs) that exist to provide advice, promotion, and support services to small businesses. Some notable BIDs include the Gaslamp Quarter, Little Italy, Hillcrest, and others.

Unfortunately, some of the BIDs have experienced cash-flow problems in receiving proceeds of business assessments collected by city government due to delays in the city’s accounting and review processes. The legislation being considered by the City Council on Monday will replace the current complicated and frustrating reimbursement policy that hampers the operations of BIDs with a more simple direct payment approach. An annual fiscal audit and monthly progress reports will be required to provide oversight of funds dispersed to the BIDs.

“This reform will have an immediate effect on the operation of BID organizations and will enable them to redouble their efforts to support neighborhood businesses,” noted BID Council President Patrick Edwards.

DeMaio originally proposed this reform in July 2010 as part of his “Open for Business” Small Business Action Plan. Working with small business owners and associations, DeMaio built a coalition of Councilmembers to support the streamlined funding approach and co-signed a memorandum with Young, Alvarez, and Zapf in January to initiate the process for full Council consideration. A majority of Councilmembers have now indicated support for the reforms.

“I am proud of my City Council colleagues for standing up for small businesses by supporting this important action,” DeMaio concluded. For more information on improving the Small Business climate in the City of San Diego please visit:

<http://www.sandiego.gov/citycouncil/cd5/pdf/smallbusinessfriendly.pdf>

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